

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN

STATE FARM MUTUAL AUTOMOBILE
INSURANCE COMPANY,

Plaintiff

v.

Case No.: 14-cv-10266
Hon. Steven J. Murphy III

UNIVERSAL HEALTH GROUP, INC.
A/K/A MICHIGAN SPINE AND REHAB,
UHG MANAGEMENT, LLC,
PROFESSIONAL HEALTH SYSTEMS,
LLC A/K/A PROFESSIONAL MEDICAL
BILLING, LLC, SCOTT P. ZACK, D.C.;
DAVID M. KATZ, D.C.,
JOSEPH F. DESANTO, HORIZON
IMAGING, LLC, CLEAR IMAGING, LLC,
JEFF S. PIERCE, D.O.;
THOMAS D. CARUSO, D.O. and
KATHERINE H. KARO, D.O.,

Defendants.

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**DEFENDANT THOMAS D. CARUSO'S ANSWER TO PLAINTIFF'S COMPLAINT;
AFFIRMATIVE DEFENSES; AND RELIANCE ON JURY DEMAND**

NOW COMES Defendant THOMAS D. CARUSO, D.O., ("Caruso") represented by the above stated counsel, and as his answer to Plaintiff's Complaint states as follows:

I. NATURE OF THE ACTION

1. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

2. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

3. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

4. Defendant Caruso is without sufficient knowledge and information regarding the

allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

5. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

6. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

7. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

8. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

9. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

10. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

11. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiffs to their strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as

untrue.

12. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

13. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

14. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

15. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiffs to their strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in medical fraud or a concert of actions with others who

committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

16. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

17. As to Defendant Caruso, denied as untrue as all medical services performed by Defendant Caruso were reasonably necessary to the care, rehabilitation and recovery of the patients at issue. To the extent that this paragraph alleges Defendant Caruso committed or participated in medical fraud or a concert of actions, or any other wrongful act alleged to be “in furtherance” of any alleged fraudulent scheme, the same is categorically denied as untrue.

18. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

19. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions

with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

20. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

21. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

22. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue and Defendant Caruso further denies the allegation that Plaintiff is entitled to any damages or costs.

23. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and

leaves Plaintiff to its strict proofs.

24. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

25. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue and Defendant Caruso further denies the allegation that Plaintiff is entitled to any damages or costs.

26. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue and Defendant Caruso further denies the allegation that Plaintiff is entitled to any damages or costs.

27. As to Defendant Caruso, denied as untrue as all medical services performed by Defendant Caruso were reasonably necessary to the care, rehabilitation and recovery of the patients at issue. To the extent that this paragraph alleges Defendant Caruso committed or participated in medical fraud or a concert of actions, or any other wrongful act alleged to be "in furtherance" of any alleged fraudulent scheme, the same is categorically denied as untrue.

28. To the extent that the allegations are directed at Defendant Caruso, the same are denied as untrue. Defendant Caruso is without sufficient knowledge and information regarding the remaining allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

29. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

30. To the extent that the allegations are directed at Defendant Caruso, the same are denied as untrue. Defendant Caruso is without sufficient knowledge and information regarding the remaining allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

31. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue and Defendant Caruso further denies the allegation that Plaintiff is entitled to any damages or costs.

32. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically

denied as untrue and Defendant Caruso further denies the allegation that Plaintiff is entitled to any damages or costs.

II. JURISDICTION AND VENUE

33. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

34. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

35. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

III. PARTIES

A. Plaintiff

36. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

B. Defendants

1. Universal

37. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

38. Defendant Caruso is without sufficient knowledge and information regarding the

allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

39. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

40. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

41. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

42. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

43. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

2. UHG Management, LLC

44. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

45. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and

leaves Plaintiff to its strict proofs.

46. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

47. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

48. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

3. Professional Health Systems, LLC

49. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

50. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

51. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

52. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

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54. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

4. Zack

55. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

56. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

57. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

58. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

59. Defendant Caruso is without sufficient knowledge and information regarding the

allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

5. Katz

60. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

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62. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

6. Chuder

63. Defendant Caruso is without sufficient knowledge and information regarding the

allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

64. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

65. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

66. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

67. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

68. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

7. DeSanto

69. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

70. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

71. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

8. Horizon Imaging LLC

72. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

73. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

74. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

75. Defendant Caruso is without sufficient knowledge and information regarding the

allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

9. Clear Imaging LLC

76. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

77. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

78. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

79. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

10. Pierce

80. Defendant Caruso is without sufficient knowledge and information regarding the

allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

81. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

82. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

11. Caruso

83. Admitted that Defendant Caruso resides in Michigan.

84. Admitted that Defendant Caruso is an osteopathic physician licensed in Michigan.

85. Defendant Caruso denies the allegations contained in this paragraph as untrue as all medical services performed by Defendant Caruso were reasonably necessary to the care, rehabilitation and recovery of the patients at issue. To the extent that this paragraph alleges Defendant Caruso committed or participated in medical fraud or a concert of actions, or any other wrongful act alleged to be "in furtherance" of any alleged fraudulent scheme, the same is categorically denied as untrue.

11. Karo

86. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

87. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and

leaves Plaintiff to its strict proofs.

88. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

IV. ALLEGATIONS COMMON TO ALL COUNTS

A. First-Party Claims for Payment Under the No-Fault Act

89. Admitted.

90. As to Defendant Caruso, such allegations are denied as untrue. Defendant Caruso is without sufficient knowledge and information regarding the remaining allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

B. Third-Party Tort Claims For Non-Economic Loss Under the No-Fault Act

91. Defendant Caruso neither admits nor denies the allegations contained herein for the reason that this is an improper rendition of what is actually covered under the Michigan No-Fault Act. Defendants rely on the act as set forth in MCLA 500.3101 et seq. and the policy of insurance.

92. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

93. Defendant Caruso is without sufficient knowledge and information regarding the

allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

C. Defendant's Fraudulent Scheme

1. Universal's Fraudulent Incorporation As A "Non-Profit" Corporation

94. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges Defendant Caruso committed or participated in medical fraud or a concert of actions, or any other wrongful act alleged to be "in furtherance" of any alleged fraudulent scheme, the same is categorically denied as untrue.

95. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges Defendant Caruso committed or participated in medical fraud or a concert of actions, or any other wrongful act alleged to be "in furtherance" of any alleged fraudulent scheme, the same is categorically denied as untrue.

96. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges Defendant Caruso committed or participated in medical fraud or a concert of actions, or any other wrongful act

alleged to be “in furtherance” of any alleged fraudulent scheme, the same is categorically denied as untrue.

97. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges Defendant Caruso committed or participated in medical fraud or a concert of actions, or any other wrongful act alleged to be “in furtherance” of any alleged fraudulent scheme, the same is categorically denied as untrue.

98. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

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101. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

102. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

103. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

**2. The Defendants' Concealment of DeSanto's Participation In
The Universal Network**

104. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

105. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

106. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

107. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

108. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

**3. The Defendants' Participation With Personal Injury Attorneys Through
"Runner" Networks**

109. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and

leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

110. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

111. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

112. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

113. Defendant Caruso is without sufficient knowledge and information regarding the

allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

114. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

115. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

116. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

117. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

118. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

119. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

120. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically

denied as untrue.

121. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

122. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

123. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

124. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions

with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

125. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

D. The Fraudulent Initial Examination and Diagnoses

126. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

127. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

1. Legitimate Treatment of Patients with Strains and Sprains Generally

128. Defendant Caruso is without sufficient knowledge and information regarding the

allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso violated any standards applicable or rendered medical services which were reasonably necessary to the care, rehabilitation and recovery of the patients at issue, the same is denied as untrue.

129. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso violated any standards applicable or rendered medical services which were reasonably necessary to the care, rehabilitation and recovery of the patients at issue, the same is denied as untrue.

130. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso violated any standards applicable or rendered medical services which were reasonably necessary to the care, rehabilitation and recovery of the patients at issue, the same is denied as untrue.

131. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso violated any standards applicable or rendered medical services which were reasonably necessary to the care, rehabilitation and recovery of the patients at issue, the same is denied as untrue.

132. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso violated any standards applicable or rendered medical services which were reasonably necessary to the care, rehabilitation and recovery of the patients at issue, the same is denied as untrue.

133. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso violated any standards applicable or rendered medical services which were reasonably necessary to the care, rehabilitation and recovery of the patients at issue, the same is denied as untrue.

134. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso violated any standards applicable or rendered medical services which were reasonably necessary to the care, rehabilitation and recovery of the patients at issue, the same is denied as untrue.

135. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso violated any standards applicable or rendered medical services which were reasonably necessary to the care, rehabilitation and recovery of the patients at issue, the same is denied as

untrue.

136. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso violated any standards applicable or rendered medical services which were reasonably necessary to the care, rehabilitation and recovery of the patients at issue, the same is denied as untrue.

137. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso violated any standards applicable, the same is denied as untrue.

138. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso violated any standards applicable, the same is denied as untrue.

139. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso violated any standards applicable, the same is denied as untrue.

140. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso violated any standards applicable, the same is denied as untrue.

141. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso violated any standards applicable, the same is denied as untrue.

2. The Fraudulent Initial Examinations and Diagnoses

142. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

143. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

144. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

145. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

146. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

147. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

148. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically

denied as untrue.

3. Chudler's Fraudulent Examinations, Diagnoses and Treatment Plans

149. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

150. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

151. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

152. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant

Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

153. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

154. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

155. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

4. The Fraudulent Chiropractic and Physical Therapy Treatments

a) The Fraudulent Chiropractic Treatments

156. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

157. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

158. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

159. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

160. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

161. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

162. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and

leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

163. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

164. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

165. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

166. Defendant Caruso is without sufficient knowledge and information regarding the

allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

167. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

168. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

169. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

b) The Fraudulent Physical Therapy Treatments

170. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and

leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

171. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

172. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

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175. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

176. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

177. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

178. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

179. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

180. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

181. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically

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5. The Fraudulent MRI Self-Referrals to Horizon and Clear

184. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

185. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant

Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

186. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

187. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

a) The Relationship Among Universal, Horizon, and Clear

188. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

189. Defendant Caruso is without sufficient knowledge and information regarding the

allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

190. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

191. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

192. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

193. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

194. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

195. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

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198. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

b) The Fraudulent Self-Referrals to Horizon, and Clear

199. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant

Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

200. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

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202. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

203. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and

leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

204. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

c) Horizon, and Clear's False MRI Interpretations

205. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

206. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso violated any standards applicable, the same is denied as untrue.

207. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and

leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso violated any standards applicable, the same is denied as untrue.

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209. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

210. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

211. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically

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212. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

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214. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

215. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions

with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

216. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

217. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

E. The EDX Providers' Fraudulent EDX Tests and Reports

218. As to Defendant Caruso, denied as untrue as all medical services performed by Defendant Caruso were reasonably necessary to the care, rehabilitation and recovery of the patients at issue. To the extent that this paragraph alleges Defendant Caruso committed or participated in medical fraud or a concert of actions, or any other wrongful act alleged to be "in furtherance" of any alleged fraudulent scheme, the same is categorically denied as untrue.

219. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant

Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

1. Nerve Conduction Velocity Tests (“NCV Tests”)

220. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso violated any standards or failed to perform reasonably necessary medical services, the same is denied as untrue.

221. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso violated any standards or failed to perform reasonably necessary medical services, the same is denied as untrue.

2. Needle Electromyography Test (“EMG Tests”)

222. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso violated any standards or failed to perform reasonably necessary medical services, the same is denied as untrue.

223. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant

Caruso violated any standards or failed to perform reasonably necessary medical services, the same is denied as untrue.

3. The AANEM Recommended Policy

224. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso violated any standards or failed to perform reasonably necessary medical services, the same is denied as untrue.

225. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso violated any standards or failed to perform reasonably necessary medical services, the same is denied as untrue.

226. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso violated any standards or failed to perform reasonably necessary medical services, the same is denied as untrue.

227. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso violated any standards or failed to perform reasonably necessary medical services, the same is denied as untrue.

4. The Fraudulent NCV Tests and Bills

a) Fraudulent Testing and Billing Practices

228. As to Defendant Caruso, denied as untrue. Defendant Caruso further denies as categorically untrue that he committed or participated in medical fraud or a concert of actions, or any other wrongful act alleged to be “in furtherance” of any alleged fraudulent scheme.

229. As for Defendant Caruso, denied as untrue.

230. As to Defendant Caruso, denied as untrue. Defendant Caruso further denies as categorically untrue that he committed or participated in medical fraud or a concert of actions, or any other wrongful act alleged to be “in furtherance” of any alleged fraudulent scheme.

231. As for Defendant Caruso, denied as untrue.

232. As for Defendant Caruso, denied as untrue.

b) Physiologically Impossible Or Highly Improbable Results

233. As to Defendant Caruso, denied as untrue. Defendant Caruso further denies as categorically untrue that he committed or participated in medical fraud or a concert of actions, or any other wrongful act alleged to be “in furtherance” of any alleged fraudulent scheme.

234. As to Defendant Caruso, denied as untrue. Defendant Caruso further denies as categorically untrue that he committed or participated in medical fraud or a concert of actions, or any other wrongful act alleged to be “in furtherance” of any alleged fraudulent scheme.

235. Defendant Caruso denies the allegations contained in this paragraph as untrue.

5. The Fraudulent Needle EMG Tests

236. As to Defendant Caruso, denied as untrue. Defendant Caruso further denies as categorically untrue that he committed or participated in medical fraud or a concert of actions, or any other wrongful act alleged to be “in furtherance” of any alleged fraudulent scheme.

237. As to Defendant Caruso, denied as untrue. Defendant Caruso further denies as categorically untrue that he committed or participated in medical fraud or a concert of actions, or any other wrongful act alleged to be “in furtherance” of any alleged fraudulent scheme.

238. As to Defendant Caruso, denied as untrue. Defendant Caruso further denies as categorically untrue that he committed or participated in medical fraud or a concert of actions, or any other wrongful act alleged to be “in furtherance” of any alleged fraudulent scheme.

239. As to Defendant Caruso, denied as untrue. Defendant Caruso further denies as categorically untrue that he committed or participated in medical fraud or a concert of actions, or any other wrongful act alleged to be “in furtherance” of any alleged fraudulent scheme.

240. As to Defendant Caruso, denied as untrue. Defendant Caruso further denies as categorically untrue that he committed or participated in medical fraud or a concert of actions, or any other wrongful act alleged to be “in furtherance” of any alleged fraudulent scheme.

a) EMG Tests Are Not Individually Tailored to Patients

241. As to Defendant Caruso, denied as untrue. Defendant Caruso further denies as categorically untrue that he committed or participated in medical fraud or a concert of actions, or any other wrongful act alleged to be “in furtherance” of any alleged fraudulent scheme.

242. As to Defendant Caruso, denied as untrue. Defendant Caruso further denies as categorically untrue that he committed or participated in medical fraud or a concert of actions, or any other wrongful act alleged to be “in furtherance” of any alleged fraudulent scheme.

b) Medically Unnecessary Numbers of Limbs and Muscles Tested

243. As to Defendant Caruso, denied as untrue. Defendant Caruso further denies as categorically untrue that he committed or participated in medical fraud or a concert of actions, or any other wrongful act alleged to be “in furtherance” of any alleged fraudulent scheme.

244. As to Defendant Caruso, denied as untrue. Defendant Caruso further denies as categorically untrue that he committed or participated in medical fraud or a concert of actions, or any other wrongful act alleged to be “in furtherance” of any alleged fraudulent scheme.

c) Extremely Improbable or Impossible Patterns of Abnormalities

245. As to Defendant Caruso, denied as untrue. Defendant Caruso further denies as categorically untrue that he committed or participated in medical fraud or a concert of actions, or any other wrongful act alleged to be “in furtherance” of any alleged fraudulent scheme.

246. As to Defendant Caruso, denied as untrue.

247. As to Defendant Caruso, denied as untrue.

248. As to Defendant Caruso, denied as untrue.

249. Defendant Caruso denies as categorically untrue that he committed or participated in medical fraud or a concert of actions, or any other wrongful act alleged to be “in furtherance” of any alleged fraudulent scheme.

250. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

251. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions

with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

252. As to Defendant Caruso, denied as untrue. Defendant Caruso further denies as categorically untrue that he committed or participated in medical fraud or a concert of actions, or any other wrongful act alleged to be “in furtherance” of any alleged fraudulent scheme.

F. State Farm’s Justifiable Reliance

253. As to Defendant Caruso, denied as untrue.

254. As to Defendant Caruso, denied as untrue.

255. As to Defendant Caruso, denied as untrue.

256. As to Defendant Caruso, denied as untrue.

V. CAUSES OF ACTION

**FIRST CAUSE OF ACTION
DECLARATORY JUDGMENT UNDER 28 U.S.C. §2201
(Universal, Horizon and Clear)**

257. Defendant Caruso hereby incorporates by reference his answers to the above paragraphs as if set forth herein word for word.

258. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs.

259. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically

denied as untrue.

260. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

261. Defendant Caruso is without sufficient knowledge and information regarding the allegations contained in this paragraph and therefore neither admits nor denies the same and leaves Plaintiff to its strict proofs. To the extent that this paragraph alleges that Defendant Caruso committed or participated in, or *benefitted from*, medical fraud or a concert of actions with others who committed such acts, or any other alleged wrongdoing, the same is categorically denied as untrue.

WHEREFORE, the Defendant Caruso respectfully requests this Honorable Court dismiss this action with prejudice and award whatever costs and attorney fees the Court deems just.

**SECOND CAUSE OF ACTION
COMMON LAW FRAUD
(All Defendants)**

262. Defendant Caruso hereby incorporates by reference his answers to the above paragraphs as if set forth herein word for word.

263. As to Defendant Caruso, denied as untrue.

264. As to Defendant Caruso, denied as untrue.

265. As to Defendant Caruso, denied as untrue.

266. As to Defendant Caruso, denied as untrue.

267. As to Defendant Caruso, denied as untrue.

WHEREFORE, the Defendant Caruso respectfully requests this Honorable Court dismiss this action with prejudice and award whatever costs and attorney fees the Court deems just.

**THIRD CAUSE OF ACTION
UNJUST ENRICHMENT
(All Defendants)**

268. Defendant Caruso hereby incorporates by reference his answers to the above paragraphs as if set forth herein word for word.

269. As to Defendant Caruso, denied as untrue.

270. As to Defendant Caruso, denied as untrue.

271. As to Defendant Caruso, denied as untrue.

272. As to Defendant Caruso, denied as untrue.

WHEREFORE, the Defendant Caruso respectfully requests this Honorable Court dismiss this action with prejudice and award whatever costs and attorney fees the Court deems just.

**FOURTH CAUSE OF ACTION
VIOLATION OF 18 U.S.C. §1962(c)
(Against All Defendants)**

273. Defendant Caruso hereby incorporates by reference his answers to the above paragraphs as if set forth herein word for word.

274. As to Defendant Caruso, denied as untrue.

275. As to Defendant Caruso, denied as untrue.

276. As to Defendant Caruso, denied as untrue.

277. As to Defendant Caruso, denied as untrue.

278. As to Defendant Caruso, denied as untrue.

279. As to Defendant Caruso, denied as untrue.

280. As to Defendant Caruso, denied as untrue.

WHEREFORE, the Defendant Caruso respectfully requests this Honorable Court dismiss this action with prejudice and award whatever costs and attorney fees the Court deems just.

**FIFTH CAUSE OF ACTION
VIOLATION OF 18 U.S.C. § 1962(d)
(Against All Defendants)**

281. Defendant Caruso hereby incorporates by reference his answers to the above paragraphs as if set forth herein word for word.

282. As to Defendant Caruso, denied as untrue.

283. As to Defendant Caruso, denied as untrue.

284. As to Defendant Caruso, denied as untrue.

285. As to Defendant Caruso, denied as untrue.

WHEREFORE, the Defendant Caruso respectfully requests this Honorable Court dismiss this action with prejudice and award whatever costs and attorney fees the Court deems just.

Respectfully submitted,

By: /s/ Gary R. Blumberg
Gary R. Blumberg, PC
Gary R. Blumberg (P29820)
*Attorneys for Defendants Jeff Pierce, Thomas
D. Caruso and Katherine H. Karo*
15011 Michigan Avenue
Dearborn, MI 48126
(313) 230-1121
grblumberg@gmail.com

Dated: March 28, 2014

By: /s/ Peter W. Joelson
Joelson Rosenberg PLC
Peter W. Joelson (P51468)
*Attorneys for Defendants Jeff Pierce, Thomas
D. Caruso and Katherine H. Karo*
30665 Northwestern Hwy., Ste 200
Farmington Hills, MI 48334
(248) 626-9966 fax: (248) 855-9496
pjoelson@joelsonrosenberg.com

Dated: March 28, 2014

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN

STATE FARM MUTUAL AUTOMOBILE
INSURANCE COMPANY,

Plaintiff

v.

Case No.: 14-cv-10266
Hon. Steven J. Murphy III

UNIVERSAL HEALTH GROUP, INC.
A/K/A MICHIGAN SPINE AND REHAB,
UHG MANAGEMENT, LLC,
PROFESSIONAL HEALTH SYSTEMS,
LLC A/K/A PROFESSIONAL MEDICAL
BILLING, LLC, SCOTT P. ZACK, D.C.;
DAVID M. KATZ, D.C.,
JOSEPH F. DESANTO, HORIZON
IMAGING, LLC, CLEAR IMAGING, LLC,
JEFF S. PIERCE, D.O;
THOMAS D. CARUSO, D.O. and
KATHERINE H. KARO, D.O.,

Defendants.

DEFENDANT THOMAS D. CARUSO, D.O.'S AFFIRMATIVE DEFENSES

NOW COMES Defendant THOMAS D. CARUSO, D.O., ("Caruso") represented by the
above stated counsel, and as his Affirmative Defenses to Plaintiff's Complaint states as follows:

1. Plaintiff's Complaint is subject to dismissal, in whole or in part, for the reason
that Plaintiff as failed to sufficiently plead a cause of action in accordance with state and/or
federal rules,

2. Plaintiff's Complaint is subject to dismissal, in whole or in part, based upon the
applicable statute of limitations, laches, statute of repose and/or the "one year back" statute of
limitations set forth in MCL 500.3145(1).

3. Plaintiff's Complaint is subject to dismissal, in whole or in part, for the reason that Plaintiff lacks standing to bring a claim for insurance fraud pursuant to the clear and ambiguous language of MCL 500.4501, et seq.

4. Plaintiff's Complaint is subject to dismissal, in whole or in part, for the reason that Plaintiff's Complaint fails to state a claim upon which relief can be granted.

5. Plaintiff's Complaint is subject to dismissal, in whole or in part, for the reason that any count alleging fraud must be pleaded with particularity pursuant to MCR 2.112(B)(1), FRCP 8 and 9(a) and Plaintiff has failed to specifically identify the time and place of each misrepresentation, describe the misleading statements or acts, and describe the benefits the defendants wrongfully obtained as a result of the misrepresentation.

6. Plaintiff's Complaint is subject to dismissal, in whole or in part, for the reason that any count alleging fraud requires Plaintiff to be able to show "reasonable reliance" under the standard established in *Cooper v. Auto Club Insurance Assoc.*, 481 Mich. 399; 751 N.W.2d 443 (2008) and *Johnson v Wausau Ins Co.*, 283 Mich App 636, 769 NW2d 755 (2009) and Plaintiff will be incapable of showing any of the elements required to support a fraud claim, including but not limited to, that it "reasonably relied" upon any allegedly fraudulent statement in the no-fault insurance setting based upon the *Cooper* and *Johnson* cases.

7. Plaintiff's Complaint is subject to dismissal, in whole or in part, pursuant to MCL 500.3175 for a multitude of reasons, including but not limited to the fact that the statute of limitations has expired and Plaintiff lacks standing to assert any claim for the recovery of benefits paid for the benefit of an individual assigned to State Farm for coverage and for which State Farm has received reimbursement from the Assigned Claims Facility.

8. Plaintiff's Complaint is subject to dismissal, in whole or in part, for the reason that Plaintiff's Complaint contains claims which are actually medical negligence claims and Plaintiff lacks standing to pursue such claims; has failed to comply with any applicable pre-suit notice requirements; has failed to attach required affidavits from qualified health care practitioners and otherwise failed to properly plead or preserve any cause of action which depends upon Defendant Caruso's failure adhere to applicable professional standards;

9. Plaintiff's Complaint is subject to dismissal, in whole or in part, based upon the doctrine of unclean hands, promissory estoppel, laches, equitable estoppel, comparative negligence, immunity, assumption of the risk, compromise and settlement, release, election of remedies, failure to join claims or defenses in other litigation, failure to mitigate its damages, the fact that Plaintiff is not the real party in interest, and waiver.

10. Plaintiff's Complaint is subject to dismissal, in whole or in part, under the doctrines of res judicata and/or collateral estoppel.

11. Plaintiff's Complaint is subject to dismissal, in whole or in part, by the Economic Loss Rule/Doctrine.

12. Plaintiff's Complaint is subject to dismissal, in whole or in part, by doctrine of preemption and/or reverse preemption.

13. Plaintiff's Complaint is subject to dismissal, in whole or in part, pursuant to the Doctrine of Election of Remedies.

14. Plaintiff's Complaint is subject to dismissal, in whole or in part, based upon prior judgment, release, settlement, arbitration or other resolution of claims between Plaintiff and individual claimants for which Plaintiff is now seeking reimbursement.

15. Plaintiff's claims may be barred by their own prior breaches of contract, failure to timely exercise due care, violations of statutory obligations, violations of their duty of good faith and fair dealing, interferences and by their unclean hands and inequitable conduct.

16. Plaintiff's lack standing to assert some or all of the allegations made against Defendant Caruso regarding illegality and/or the unlawful providing of services. (*Allstate Ins Co v Global Medical Billing, Inc, et al, US Dist Court, ED Mich, Southern Division, Case No. 09-14975, Hon. Lawrence P. Zatkoff*).

17. Plaintiff has failed to plead a proper enterprise as defined by 18 U.S.C. § 1961(4).

18. Plaintiff has failed to mitigate their damages.

19. That, assuming any of Plaintiff's allegations are true, which is denied in its entirety, that Plaintiff has failed to mitigate its damages by unreasonably continuing to issue payments to the Defendant Caruso when Plaintiff reasonably knew or should have known that such payments were not warranted and that, pursuant to the holdings on *Cooper v. ACIA*, 481 Mich. 399, 751 N.W.2d 443 (2008).

20. Plaintiff's claims against Defendant Caruso are improperly joined with other Defendants.

21. Plaintiff's claims are barred pursuant to MCL 500.3112.

22. To the extent the Plaintiff's claims result from the actions or inactions of other parties or defendant(s), Defendant Caruso has no liability for such actions/inactions.

23. Defendant Caruso is entitled to attorney fees per MCL 500.3148. Defendant Caruso reserves all defenses set forth in MCL 500.3101, et seq.

24. Plaintiff's Complaint fails to state the claim for violation of 18 U.S.C. Sec. 1962.

25. Defendant Caruso did not make any misrepresentations nor commit fraud.

26. Defendant Caruso did not pursue any amount greater than that which Plaintiff determined was reasonable and customary for the services provided to the subject patients.

27. Defendant Caruso reserves the right to alter, amend or supplement these Affirmative Defenses, and to bring any counterclaims, cross claims and/or third party claims, during or upon the completion of discovery, said reservations being necessary because the allegations in the Complaint do not offer sufficient specifics to notify said Defendant Caruso of the nature of the claims being made against him.

WHEREFORE, Defendant THOMAS D. CARUSO, D.O., respectfully requests this Honorable Court dismiss this action with prejudice, and award whatever costs and attorney fees the Court deems just.

Respectfully submitted,

By: /s/ Gary R. Blumberg
Gary R. Blumberg, PC
Gary R. Blumberg (P29820)
Attorneys for Defendants Jeff Pierce, Thomas D. Caruso and Katherine H. Karo
15011 Michigan Avenue
Dearborn, MI 48126
(313) 230-1121
grblumberg@gmail.com

Dated: March 28, 2014

By: /s/ Peter W. Joelson
Joelson Rosenberg PLC
Peter W. Joelson (P51468)
Attorneys for Defendants Jeff Pierce, Thomas D. Caruso and Katherine H. Karo
30665 Northwestern Hwy., Ste 200
Farmington Hills, MI 48334
(248) 626-9966 fax: (248) 855-9496
pjoelson@joelsonrosenberg.com

Dated: March 28, 2014

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN

STATE FARM MUTUAL AUTOMOBILE
INSURANCE COMPANY,

Plaintiff

v.

Case No.: 14-cv-10266
Hon. Steven J. Murphy III

UNIVERSAL HEALTH GROUP, INC.
A/K/A MICHIGAN SPINE AND REHAB,
UHG MANAGEMENT, LLC,
PROFESSIONAL HEALTH SYSTEMS,
LLC A/K/A PROFESSIONAL MEDICAL
BILLING, LLC, SCOTT P. ZACK, D.C.;
DAVID M. KATZ, D.C.,
JOSEPH F. DESANTO, HORIZON
IMAGING, LLC, CLEAR IMAGING, LLC,
JEFF S. PIERCE, D.O;
THOMAS D. CARUSO, D.O. and
KATHERINE H. KARO, D.O.,

Defendants.

RELIANCE ON JURY DEMAND

NOW COMES Defendant, THOMAS D. CARUSO, D.O., represented by the above stated
counsel, and hereby relies on the Jury Demand filed in the above entitled matter.

Respectfully submitted,

By: /s/ Gary R. Blumberg
Gary R. Blumberg, PC
Gary R. Blumberg (P29820)
*Attorneys for Defendants Jeff Pierce, Thomas
D. Caruso and Katherine H. Karo*
15011 Michigan Avenue
Dearborn, MI 48126
(313) 230-1121
grblumberg@gmail.com

Dated: March 28, 2014

By: /s/ Peter W. Joelson

Dated: March 28, 2014


Joelson Rosenberg PLC
Peter W. Joelson (P51468)
*Attorneys for Defendants Jeff Pierce, Thomas
D. Caruso and Katherine H. Karo*
30665 Northwestern Hwy., Ste 200
Farmington Hills, MI 48334
(248) 626-9966 fax: (248) 855-9496
pjoelson@joelsonrosenberg.com

VERIFICATION

Dr. Thomas D. Caruso, D.O., being first duly sworn, deposes and states that he the Defendant named above, he has personal knowledge of the facts herein and is competent to so testify, that he has read the foregoing Answer to Complaint, and the factual allegations therein are true to the best of his knowledge, information and belief.


Dr. Thomas D. Caruso, D.O.

Subscribed and sworn to before me, a Notary Public on this 21st day of March, 2014.



Notary Public Susan Brohman
My commission expires: 08/09/2014

SUSAN C. BROHMAN
Notary Public, State of Michigan
County of Oakland
My Commission Expires 08-09-2017
Acting in the County of Oakland

CERTIFICATE OF SERVICE

NOW COMES the undersigned and hereby states that on March 28, 2014, the undersigned served this Answer to Complaint, Affirmative Defenses, Reliance Upon Jury Demand, Verification and this Certificate of Service were e-filed and e-served using the ECF system which will send notification of such filing to all counsel.

/s/ Gary R. Blumberg_____